



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

June 12, 2012

MICHAEL F. CHILDERS, TREASURER
DEMOCRATIC PARTY OF WISCONSIN
110 KING ST STE 203
MADISON, WI 53703

Response Due Date
07/17/2012

IDENTIFICATION NUMBER: C00019331

REFERENCE: YEAR-END REPORT (12/01/2011 - 12/31/2011)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 8 item(s):

1. The totals listed on Line(s) 6(c), 7, 11(a)(iii), 11(b), 11(d), 12, 19, 20, 21(b), 21(c), 31 and 32, Column B of the Summary and Detailed Summary Page(s) appear to be incorrect. Column B figures for the Summary and Detailed Summary Pages should equal the sum of the Column B figures on your previous report and the Column A figures on this report. Please file an amendment to your report to correct the Column B discrepancies for this report and all subsequent report(s) which may be affected by this correction. Note that Column B should reflect only the Calendar Year-to-Date totals. (2 U.S.C. § 434(b))
2. Your calculations for Line 8 appear to be incorrect. Cash on hand at the close of the current reporting period should always equal the closing calendar year to date cash on hand amount. Please provide the corrected total on the Summary Page. (2 U.S.C. § 434(b))
3. Schedule A of your 2011 reports combined discloses transfers totaling \$173,500.00 from the "ASDC Dollars for Democrats," which is a joint fundraising committee affiliated with your committee. The sum of memo Schedule A is less than the total amount transferred. Please note that the sum of memo Schedule A supporting a transfer(s) from a joint fundraising committee should be greater than or equal to the amount of the transfer(s).

Each participating committee shall report its share for net proceeds received

DEMOCRATIC PARTY OF WISCONSIN

Page 2 of 4

from the joint fundraising committee as a transfer-in on Schedule A. A memo Schedule A must be provided to itemize your committee's share of the gross contributions received through the joint fundraiser. The memo schedule should itemize each individual who has contributed an aggregate in excess of \$200 during the calendar year and provide the amount of unitemized contributions received. In addition, the memo schedule should itemize your committee's share of all contributions from political committees, regardless of amount. (11 CFR § 102.17(c)(8)(i)(B)) Please amend your report to include the missing Schedule A or provide an explanation for this apparent discrepancy.

4. Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule(s) B of your report to clarify the following description(s): "Event expenses" and "Promotional Materials." For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

5. Schedule H4 discloses payments made to credit card companies for shared federal and non-federal activity. Please be advised that these payments must identify as memo entries, the original vendors from which you have purchased an item or service regardless of the amount. Please amend your report by providing the name and mailing address of the original vendor, along with the date, amount and purpose of each expenditure and clearly identify on the Schedule H4, which credit card payment each memo entry relates to. (11 CFR §§104.10 and 104.17)

6. Please amend your report by providing the address for each disbursement itemized on Schedule(s) H4 supporting Line(s) 21(a). (11 CFR §§104.3(a)(4) and 104.10(4))

7. Schedule H4 supporting Line 21(a) of your report discloses a payment(s) for "FICA Match," "payroll-see memo," "Dental/Life Insurance," "Health Insurance" and "Salary." Please be advised that pursuant to 11 CFR §300.33(c)(2), salaries and wages for employees who spend more than 25% of their compensated time in a given month on Federal Election Activity (FEA) or activities in connection with a Federal election must not be allocated between or among federal and non-federal accounts. Rather, only federal funds may be used. Further, the Commission concluded in Advisory Opinion 2003-11 that amounts spent for employee-specific "fringe benefits," consisting of health insurance, disability insurance, life insurance, retirement benefits and payroll taxes, fall into the category of compensated time.

Please clarify whether this activity is for employees who spent 25% or less of

DEMOCRATIC PARTY OF WISCONSIN

Page 3 of 4

their time during the month(s) referenced above on FEA or activities in connection with a Federal election. If this is not the case, any reimbursement from your committee's non-federal account for this payment is not permissible and must be returned. Although the Commission may take further legal action regarding any improper allocation activity, your prompt action will be taken into consideration.

8. Schedule H4 of your report discloses a payment(s) for "Intern Stipend." Please be advised that a political committee may maintain a petty cash fund out of which it may make expenditures not in excess of \$100 to any person per purchase or transaction. (11 CFR §102.11) However, if this expenditure(s) represents an apparent reimbursement(s) to an individual(s) for apparent travel and subsistence advances in which the total amount reimbursed exceeds \$500, there are additional reporting requirements. Please provide clarifying information regarding this activity and amend your report to include any missing information as noted below.

When the reimbursement amount to staff for travel and subsistence advances exceeds \$500, the payments by committee staff that make up the reimbursement have to be itemized as memo entries regardless of the amount. Each memo entry must include the complete name and address of the original vendor, as well as the date, amount and an adequate purpose. Schedule H4 should clearly identify which reimbursement each memo entry relates to. (11 CFR §§104.10 and 104.17, and Advisory Opinion 1996-20, footnote 3)

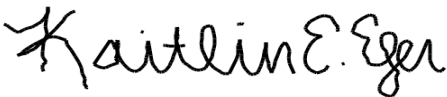
Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. **Requests for extensions of time in which to respond will not be considered.**

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1143.

DEMOCRATIC PARTY OF WISCONSIN

Page 4 of 4

Sincerely,

A handwritten signature in black ink that reads "Kaitlin Eger". The signature is written in a cursive style with a large, stylized "K" and a distinct "E".

Kaitlin Eger
Senior Campaign Finance Analyst
Reports Analysis Division